

**WHAT IS CLAIMED IS:**

1. 1. A method for collecting sales and/or use taxes on remote sales, said method includes the steps of:
  2. a) collecting by sellers information regarding remote sales made by buyers;
  3. b) calculating securely the correct taxing jurisdictions sales and/or use tax to be paid by buyers for remote sales;
  4. c) collecting by sellers from buyers the correct sales and/or use tax;
  5. d) transmitting by a seller to a taxing jurisdiction the aggregate totals of sales and use tax transactions; and
  6. e) collecting by a taxing jurisdiction the correct sales and/or use tax received by sellers.
7. 2. The method claimed in claim 1, further including the step of: transmitting from the seller to the taxing jurisdiction a log of all sales and use tax transactions.
8. 3. The method claimed in claim 2, wherein a seller is given notice that a taxing jurisdiction is studying its log of all sales and use tax transactions.

1       4. The method claimed in claim 3, wherein a seller may review the seller's log  
2       of sales and/or use taxes collected before the taxing jurisdiction studies the  
3       seller's log of sales and/or use taxes collected.

1       5. The method claimed in claim 3, wherein a taxing jurisdiction may access  
2       the log of sales and/or use taxes collected only after specified time period has  
3       passed.

1       6. The method claimed in claim 1, further including the step of:  
2                  reporting to the taxing jurisdictions the taxes that have been collected.

1       7. The method claimed in claim 1, further including the step of:  
2                  filing tax returns for sellers with the taxing jurisdictions for the taxes that have  
3                  been collected.

1       8. The method claimed in claim 1, further including the step of: identifying  
2       potentially seller fraudulent behavior by running various checks of the segmented  
3       information.

1       9. The method claimed in claim 8, further including the step of: identifying a  
2       strange drop-off in the number of seller transactions in the segmented  
3       information.

1       10. The method claimed in claim 8, further including the step of: examining the  
2       history of seller transactions in the segmented account to determine seller trends.

1       11. The method claimed in claim 8, further including the step of:  
2       comparing the transaction volume, dollar volume and transaction types relative to  
3       other similar sellers.

1       12. The method claimed in claim 8, further including the step of: identifying an  
2       inordinate number of cancelled transactions in the segmented transactions.

1       13. The method claimed in claim 8, further including the step of:  
2       establishing watermarks for different types of businesses to identify an inordinate  
3       amount of returned merchandise for a particular type of business.

1       14. The method claimed in claim 8, further including the step of: identifying  
2       patterns that indicate that a seller may not be reporting the entire amount of  
3       taxes collected.

1       15. The method claimed in claim 8, further including the step of: examining  
2       cancelled transactions.

1       16. The method claimed in claim 1, further including the step of:  
2           receiving responses from buyers indicating acceptance of the sale.

1       17. The method claimed in claim 1, further including the steps of:  
2           purchasing by one of the taxing jurisdictions goods and/or services from the  
3           seller;  
4           transmitting from the seller to the purchasing taxing jurisdiction a log of specified  
5           sales and use tax transactions; and  
6           comparing the taxes charged by the seller for the goods and/or services  
7           purchased by the seller with the log of transactions.

- 1    18. The method claimed in claim 17, further including the steps of:
  - 2       determining if the seller has reported the appropriate information to the taxing
  - 3       jurisdiction.
  
- 4    19. The method claimed in claim 18, further including the step of:
  - 5       establishing improper behavior by the seller when the information reported to the
  - 6       taxing jurisdiction differs from the information obtained by the taxing jurisdiction
  - 7       from the seller for the goods and/or services purchased by the taxing jurisdiction.
  
- 1    20. The method claimed in claim 17, further including the steps of:
  - 2       determining if the seller has reported all appropriate taxes to the taxing
  - 3       jurisdiction.
  
- 1    21. The method claimed in claim 17, wherein the taxing jurisdiction utilizes an agent
  - 2       to purchase the goods and/or services.
  
- 1    22. The method claimed in claim 17, wherein the taxing jurisdiction utilizes an alias to
  - 2       purchase the goods and/or services.

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